



# Town of Litchfield

*Deliberative Session  
Saturday, February 2, 2019*

# Article 1 - Election of Officers

Two (2) Selectmen - 3 Year Term

Two (2) Budget Committee - 3 Year Term

One (1) Budget Committee - 1 Year Term

One (1) Cemetery Trustee - 3 Year Term

Two (2) Library Trustee - 3 Year Term

One (1) Trustees of Trust Fund - 3 Year Term

# Article 2 - Operating Budget

To see if the Town will vote to raise and appropriate as an operating budget, not including appropriation by special warrant articles and other appropriations voted separately, the amounts set forth in the budget posted with the warrant or as amended by the vote of the first session, for the purposes set forth therein, totaling \$6,757,953. Should this article be defeated, the default budget shall be \$6,713,245 which is the same as last year with certain adjustments required by previous action of the Town of Litchfield or by Law; or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only. Estimated 2019 tax rate impact: \$0.08.

*Recommended by the Board of Selectmen (5-0-0)*

*Recommended by the Budget Committee (7-1-0)*

# Budget Committee Members

- Cynthia Couture – Chair
- Keri Douglas – Vice Chair
- Jennifer Bourque
- Jessica Martin
- Brion Hodgkins
- Nicole Fordey
- John Brunelle– Selectmen's Representative
- Robert Meyers– School Board's Representative

# Budget Preparation

- The budget information was presented by the Board of Selectmen representative, Town Administrator and department heads as needed over 2 weeks in October.
- Tax cap calculations limit Budget Committee recommendations on proposed expenditures.
- Decisions were made to approve Budget amounts and make any reductions at the Oct. 25<sup>th</sup> meeting

# Decision Criteria

- Consider history of actual spending of 3 previous years
- The Budget Committee had to consider the Tax Cap calculations. This meant that the proposed budget including warrant articles could not be more than \$175,000 greater than last years approved budget after calculating revenues. Revenues and valuation reduce the impact.
- Consider the rationale for why dollars are being requested by the local officials
- Consider what was a reasonable budget to present to the voters given fixed cost increases and revenue projections.

# Town Budget Review

- The Selectmen's proposed 2019 budget is \$6,790,753 which was \$524,430 over last years approved budget.
- After Budget Committee reductions of \$32,800, the Budget is \$6,757,953.
- The Budget Committee proposed budget is \$44,708 above the current Default Budget
- The Budget Committee's proposed budget is an \$0.08 increase on tax rate due to changes in revenues and town valuation

# Areas of Major Impact to the Budget

- Police administration - **\$84,828 increase**  
This is due to approval last year of the additional Police officer
- Information Technology - **\$10,200 increase**  
Increased internet access and equipment
- General Governmental Buildings - **\$9,100 increase**  
Estimated increases of electric and propane due to the old Fire Station, increase in cost of gas



# Areas of Major Impact to the Budget (con't)

- Fire Department - **\$44,600 increase**  
Wages, training, and overtime. Replacement of equipment due to age, malfunction, end of life. Utilities for new station. Increase in dispatch contract.
- Fire Hydrants - **\$34,017 increase**  
Increase in Pennichuck monthly costs for 249 hydrants in Litchfield
- 1<sup>st</sup> Bond Payment on Fire Station - **\$258,960 increase**

# Budget Committee Changes

- Board of Selectmen      \$1,200 reduction (passed 6-1-0)
- Town Clerk                \$800 reduction      (passed 6-1-0)
- Legal Expenses            \$5,000 reduction    (passed 4-3-0)
- Planning Board            \$1,500 reduction    (passed 6-1-0)
- General Gov't Bldg.      \$1,250 reduction    (passed 6-1-0)
- Fire Dept.                 \$1,500 reduction    (passed 6-1-0)

# Budget Committee Changes (con't)

- Road Maintenance \$5,000 reduction (passed 6-1-0)
- Vendor Payments \$6,000 reduction (passed 6-1-0)
- Parks and recreation \$1,500 reduction (passed 6-1-0)
- Library \$8,000 reduction (passed 6-1-0)
- Conservation Commission \$1,000 reduction (passed 6-1-0)

# Tax Cap Calculation

Article 2	2019 Budget	\$6,757,953	tax impact
Article 3	Police Union Contract	\$37,909	tax impact
Article 4	Human Services & Health	\$25,000	tax impact
Article 5	Earned Time Fund	\$50,000	no tax impact
Article 6	Technology Fund	\$50,000	no tax impact
Article 7	Land Purchase	\$90,000	no tax impact
		<b>\$7,010,862</b>	

# Tax Cap Calculation

Tax Cap Calculation Base				Tax Cap Calculation					
Tax Year	Prior Year Tax	Add Back Fund Bal	Tax Cap \$175k	Gross Appropriation	Less Revenue	Add Veteran Credit	Add Overlay	Current Year Tax	Over / Under Tax Cap
2017	\$3,570,207	\$0	\$3,745,207	\$6,188,446	\$2,554,835	\$119,902	\$77,809	\$3,831,322	\$86,115
2018	\$3,831,322	\$0	\$4,006,322	\$10,320,764	\$6,306,579	\$133,102	\$60,698	\$4,207,985	\$201,663
<b>2019</b>	<b>\$4,207,985</b>	<b>\$0</b>	<b>\$4,382,985</b>	<b>\$7,010,862</b>	<b>\$2,817,097</b>	<b>\$133,102</b>	<b>\$50,000</b>	<b>\$4,376,867</b>	<b>-\$6,118</b>

# Total Estimated Tax Impact

Current Tax rate	\$4.66
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Operating Budget	\$0.08
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\$28 estimated increase to a house valued at \$350,000

Total Proposed increase	\$0.15
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New Rate	\$4.81
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\$52.50 estimated increase to a house valued at \$350,000

# Total Estimated Tax Impact

## **Questions or Comments?**

# Article 3 - Police Contract

## ARTICLE 3 - POLICE CONTRACT

To see if the Town will vote to approve the cost items for wage and related costs that have been included in the collective bargaining agreement reached between the Town of Litchfield and Council 93 of the American Federation of State, County and Municipal Employees which provides for the following increases in wages and benefits at the current staffing level and further to raise and appropriate the sum of **\$37,909** for the current fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels. Estimated 2019 tax rate impact: **\$0.04**.

2019 - \$37,909

2020 - \$24,942

2021 - \$4,764

*Recommended by Board of Selectmen (5-0-0)*

*Recommended by Budget Committee (7-1-0)*



# Article 3 - Police Contract Overview

- **27 month Contract Apr 2019 to Jun 2020**
  - Year 1 (2019) - \$37,909
  - Year 2 (2020) - \$24,942
  - Year 3 (2021) - \$ 4,764
- **Regular Part-Time - 21 hrs to 24 hrs**
  - Health and dental insurance 50%
- **Part-Time - 23 hrs or less**
  - Health and dental insurance at 100%
  - Not eligible for benefits

# Article 3 - Police Contract Overview

- **Salaries**

- Step increases & promotions merit based
- COLA adjustments changed from April 1 to July 1
- 2.5% COLA July 1, 2019
- 2.5% COLA July 1, 2020

- **Longevity Payments**

- Eliminated 3% mandatory base salary increase
- Adopted Non-Union longevity plan
- 10 + years - \$500 annual stipend
- 15 + years - \$750 annual stipend
- 20 + years - \$1,000 annual stipend

# Article 3 - Police Contract Overview

## **Earned Time Buyback**

- Regular PT Employee Buyback Eliminated
- Hired Before April 1, 2014
  - Reduced from 960 to 660 hrs
- Hired After April 1, 2014
  - Reduced from 660 to 500 hrs
- Hired After April 1, 2019
  - Reduced from 660 to 320 hrs
  - Same as non-union employees

# Article 3 - Police Contract Overview

## **Medical and Dental**

- Clarification PT employees pay 100% Health and Dental premiums

# Article 4 - Human Services and Health Agencies

## **ARTICLE 4 - HUMAN SERVICES AND HEALTH AGENCIES**

To see if the Town will vote to raise and appropriate the sum of **\$25,000** to support Human Services and Health Agencies that provide services to the Town of Litchfield. If approved, a committee consisting of the Welfare Director, Health Officer and one Resident will review funding requests and submit recommended funding amounts to the Board of Selectmen for approval. Estimated 2019 tax rate impact: **\$0.03**.

*Recommended by Board of Selectmen (5-0-0)*

*Recommended by Budget Committee (7-1-0)*

# Article 4 - Human Services and Health Agencies

## **New Approach**

- Funds previously raised in budget or special warrant article
- Funding levels different amounts each year
- Goal - stabilize annual appropriation for health and human services provided to Litchfield residents
- Special committee to review based on community demand and need
- Board of Selectmen make final approval

# Article 4 - Human Services and Health Agencies

2019 FUNDING REQUESTS			
Big Brothers & Sisters	\$500	CASA	\$500
Home Care & Hospice	\$6,500	Red Cross	\$3,847
Meals on Wheels	\$2,295	United Way	\$500
Bridges	\$300	Harbor Homes	\$4,000
Nashua Mental Health	\$19,795	Anne-Marie House	\$0.00
Lamprey Health Care	\$800	<b><i>Total Requests</i></b>	<b><i>\$39,037</i></b>

# Article 5 - Town Earned Time Accrual Expendable Trust Fund

To see if the Town will vote to raise and appropriate the sum of **\$50,000** to be placed in the Earned Time Accrual Expendable Trust Fund as previously established. This sum to come from the unassigned fund balance and no amount to be raised from taxation. Estimated 2019 tax rate impact: **\$0.00**.

*Recommended by the Board of Selectmen (5-0-0)*

*Recommended by the Budget Committee (7-1-0)*



# Article 5 - Town Earned Time Accrual Expendable Trust Fund

- Fund established in 2014
- Purpose: retirement, separation & buyouts
- Union Contract Requirement
- 2016 expenses \$60,312 (all benefits)
- 2017 expenses \$58,700 (all benefits)
- 2018 expenses \$40,448 (all benefits)
- 8 employees eligible to retire \$100,000
- 2017 liability was \$309,000
- 2018 liability is \$275,791
- Current Trust fund balance \$57,256.08

# Article 6 - Technology & Communication Expendable Trust Fund

## ARTICLE 6 - TECHNOLOGY & COMMUNICATION EXPENDABLE TRUST FUND

To see if the Town will vote to establish a Technology and Communication Expendable Trust Fund per RSA 31:19-a, for the purchase and repair of technology and communication equipment and software and to raise and appropriate the sum of **\$50,000** to be placed in the fund; further to name the selectmen as agents to expend from the fund. This sum to come from the unassigned fund balance and no amount to be raised from taxation. Estimated 2019 tax rate impact: **\$0.00**.

*Recommended by Board of Selectmen (5-0-0)*

*Recommended by Budget Committee (8-0-0)*

# Article 6 - Technology & Communication Expendable Trust Fund

## **Purpose**

- Purchase and repair of technology and communication equipment and software
- Minor planned upgrades and emergency replacements for portable radios, radio systems, software, phone system, etc
- Additional funding required for major projects like radio communications for Fire, Police & Highway or financial software package
- Estimated costs next 2 to 5 yrs - \$500k

# Article 7 - Land Purchase

## **ARTICLE 7 - LAND PURCHASE**

To see if the Town will vote to raise and appropriate the sum of **\$90,000** to purchase a parcel of land in the Town of Litchfield described as Map 15, Lot 30 on Hillcrest Road for the purpose of making ingress and egress safety improvements to the Transfer / Recycling Facility and Highway Garage and provide for future expansion of operational needs. This sum to come from the unassigned fund balance and no amount to be raised from taxation. Estimated 2019 tax rate impact: **\$0.00**.

*Recommended by Board of Selectmen (5-0-0)*

*Recommended by Budget Committee (8-0-0)*

# Article 7 - Land Purchase

## **155 Hillcrest Road**

- Tax Map 15, Lot 30
- 2.52 Acres
- Vacant Lot with approved driveway permit
- Potential for duplex
- \$108,800 Town Assessed Value
- Current tax revenue \$2,537
- Agreed purchase price \$90,000
- Safety Improvements - Residents, DPW, Vendors, Fire Trucks, Police
- Potential for NH DOT Grant Funding
- Potential for future expansion Solid Waste / DPW





# Article 8 - Town Flag

## **ARTICLE 8 - TOWN FLAG**

To see if the Town will vote to authorize the Board of Selectmen, upon conducting at least two (2) public hearings, to adopt the Official Town Flag.

*Recommended by Board of Selectmen (5-0-0)*

# Article 8 - Inspiration

- Flags are great symbols that represent the values, culture, and history of a community.
- Manchester, NH adopted a flag in 2017.
- Concord, NH proudly flies the flag downtown.
- Gives our town the ol' razzle dazzle.



# Article 8 - Guidelines

- According to the Historical Society, the town colors are blue and white.
- Green was added.
- The town seal would likely be a desired feature for the flag. (Manchester and LHS)
- Simple designs should always be considered.
- Having a unique design is a must.

# Article 8 - Input

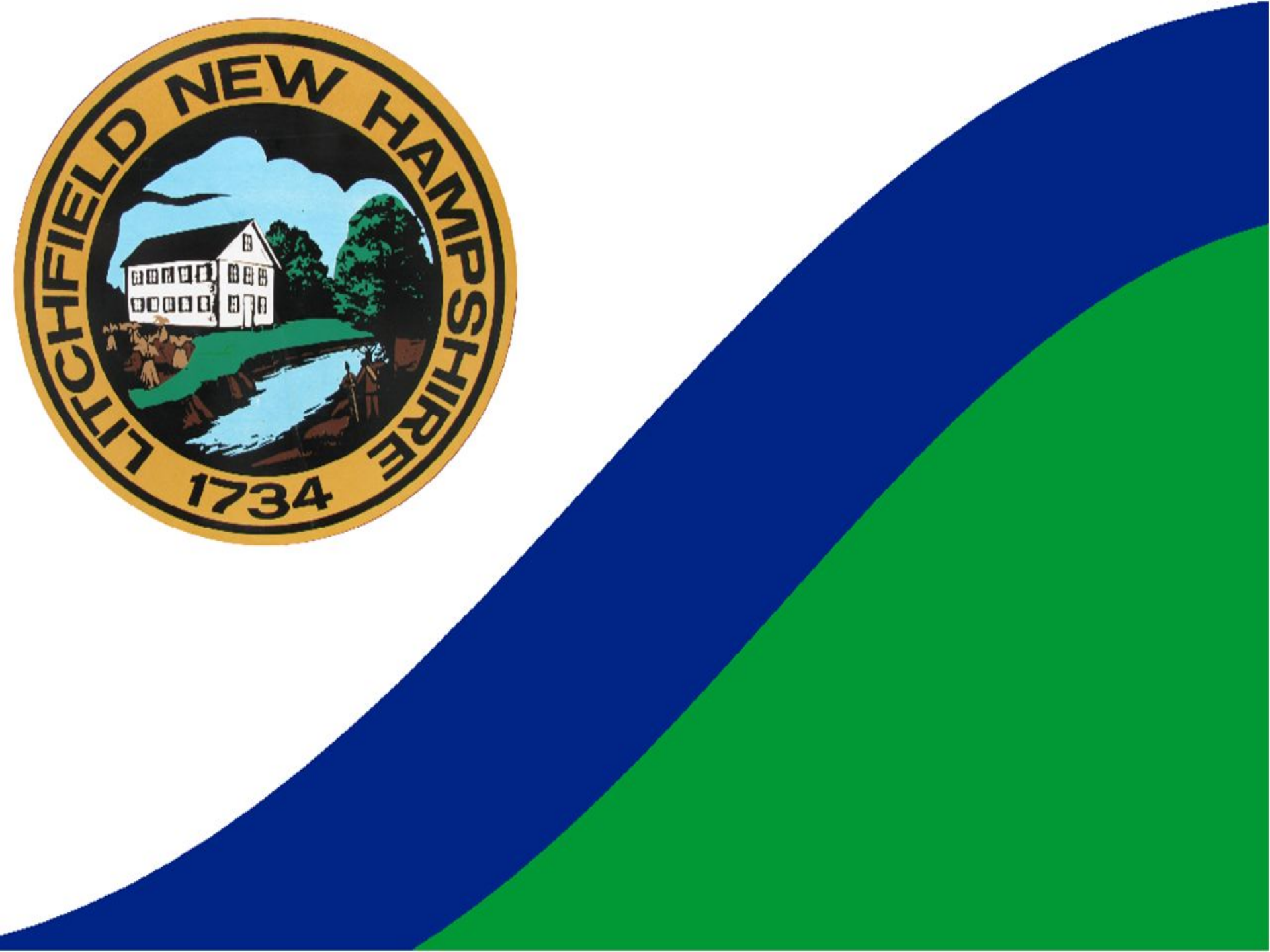
- A poll was set up on social media asking for input on the 13 proposed designs.
- Design #9 was a decisive winner, gathering more than double the votes than the runner-up.
- The takeaways were that residents enjoyed the introduction of green, the presence of the seal, and unusual designs were less favorable.
- The Historical Society and Heritage Commission gave input.

## Article #8 - Input, part 2

- The Historical Society and Heritage Commission gave input.
- The idea of a town flag for Litchfield was first presented on June 25th, 2018.

# Article #8 - Design

- Design #9 features a modified “bend” design.
- The bend is blue in color. The field beneath is green and the field above is white.
- This design stands out from the crowd for being unique, yet simple.





# Article #8 - Representation

- Blue: History, Merrimack River, Knowledge
- White: Town meeting gov't, Transparency, Optimism
- Green: Agriculture, Community, Altruism/Service





**TOWN OF DEERFIELD**



**NEW HAMPSHIRE**





# Article #8 - Town Meeting

- NH towns adopt their flags using different methods.
- Town meeting, ordinance, unofficial adoption.
- Article #8 will allow the BOS to adopt the flag after at least two (2) public hearings.

**Questions?**

# Article 9 - KENO

## **ARTICLE 9 - KENO**

To see if the Town will vote to allow the operation of Keno within the town pursuant to the provisions of NH RSA 284:41 through 51?

*Recommended by Board of Selectmen (5-0-0)*

# Article 9 - KENO

- **What is Keno 603?**

- Rapid draw numbers game
- Minimum play \$1
- Numbers drawn every 5 minutes from 11am to 1am
- Sales occur 7 days per week
- NH Game only

# Article 9 - KENO

- **Benefits for Litchfield Businesses?**
  - Help support local business
  - Establishments earn 8% commission on every dollar
  - Increase in food and beverage sales
  - Average weekly KENO commission per retailer \$300
  - Potential to earn \$14,000 annually

# Article 9 - KENO

- **Eligible Businesses**

- Hidden Creek Country Club
- Li'L Lobster Boat
- Mel's Diner
- Mel's Funway Park
- Passaconoway Country Club
- Romano's Pizza

# Article 9 - Keno

- **Benefits for Litchfield School District?**
  - Provides funding for full-day kindergarten
  - Revenues do not stay in Litchfield
  - All Revenues returned to State of NH
  - Department of Education calculates and distributes grant funds to each eligible school district.

# Article 9 - Keno

- **How Does Litchfield Approve Keno?**
  - Local adoption required to be placed on warrant by Board of Selectmen or Petition Article
  - Public Hearing required (TBD)
  - Approved by majority vote Election Day

# Article 10 - By Petition

## **ARTICLE 10 - BY PETITION**

This petition article seeks to implement one of the recommendations from the 2018 Municipal Resources Inc. (MRI) report. The study recommended more man-hours for the Litchfield Highway Department. Currently the department does not have the proper staffing to provide appropriate safety standards on the job.

*Recommended by Board of Selectmen (5-0-0)*



# Article 10 - By Petition

## Highway Staffing

- Selectmen fully support implementation of MRI Study
- Selectmen hired (1) Full-Time Employee (1/1/19)
- Study recommends Renaming Highway Department “Department of Public Works”
- Change Road Agent to Director of Public Works
- Create a unified Department
  - Highways & Streets
  - Solid Waste
  - Facility Maintenance (including recreation fields)
- Cross train solid waste and highway personnel

*John Brunelle*

# Article 11 - By Petition

## **ARTICLE 11 - BY PETITION**

To see if the Town will vote to continue the Code Enforcement Officer, Health Inspector and Zoning Administrator as appointed positions within the Fire Department, or as determined by the Board of Selectmen

*Recommended by Board of Selectmen (4-0-0)*

# Article 11 - By Petition

## **Code Enforcement, Health & Zoning**

- 2013 Board of Selectmen discussed changing position to part-time with no benefits due to low building permit activity or combining the position with the Fire Department to perform both Building and Fire Inspectional Services.
- No action was taken but building and maintenance responsibilities were added to job responsibilities.
- September 11, 2017 position reclassified as Inspector responsible for Code Enforcement, Building Inspection, and Health & Zoning

# Article 11 - By Petition

## **Code Enforcement, Health & Zoning**

- Position no longer Department Head
- Position reports directly to Deputy Fire Chief under general supervision of Fire Chief
- Incumbent was asked to obtain Fire Inspector 1 and Fire Inspector 2 certification within two years
- Purpose of restructuring position was to streamline inspectional services process for applicants and control costs.

# Article 12 - By Petition

## **ARTICLE 12 - BY PETITION**

To see if the Town will vote to discontinue the appointed office of Highway Agent and to authorize the Town to elect the Highway Agent. The current Highway Agent shall continue to hold the office until the 2020 Annual Town Meeting election, at which time, the Town will elect a Highway Agent. If adopted, the authority of the Town to elect the Highway Agent shall continue in effect until changed by a majority vote at an annual or special meeting.

*Not Recommended by Board of Selectmen (5-0-0)*

# Article 13 - By Petition

## **Road Agent**

- Elected positions may be subject to “popularity contest” with no regard to job related, training, qualifications and work experience
- Appointed positions subject to Personnel and Town Policies; elected positions are not
- Appointed positions must meet minimum job standards and qualifications
- Appointed positions subject to review of criminal history, driver record, financial records and professional references; elected positions are not
- Candidates for appointed positions can be subject to review and input by Department Heads, Staff and Residents; elected positions are not
- Appointed positions subject to performance review and disciplinary action, up to and including, termination
- Selectmen can negotiate wages, benefits and contract period

# Article 13 - By Petition

## **ARTICLE 13 - BY PETITION**

To see if the Town will vote to reverse the appointed office of part-time Fire Chief to an elected position. The current Fire Chief shall continue to hold the office until the 2020 Annual Town Meeting election, at which time, the Town will elect a part-time Fire Chief. If adopted, the authority of the Town to elect the Fire Chief shall continue in effect until changed by a majority vote at an annual or special meeting.

*Not Recommended by Board of Selectmen (5-0-0)*

# Article 13 - By Petition

## **Fire Chief**

- Elected positions may be subject to “popularity contest” with no regard to job related, training, qualifications and work experience
- Elected Fire Chief may place Litchfield Firefighters in awkward position of supporting one candidate vs. another
- Appointed Chief subject to Personnel and Town Policies; elected positions are not
- Appointed Chief must meet minimum job standards and qualifications
- Appointed Chief subject to review of criminal history, driver record, financial records and professional references; elected positions are not
- Candidates for Chief can be subject to review and input by Department Heads, Staff, Residents & Peer Panels; elected positions are not
- Appointed Chief subject to performance review and disciplinary action, up to and including, termination
- Selectmen can negotiate wages, benefits and contract period



# Article 14 - By Petition

## **ARTICLE 14 - BY PETITION**

To see if the Town will vote to continue to support the Town Administrator position.

*Recommended by Board of Selectmen (4-0-0)*

# Article 14 - By Petition

## **Town Administrator**

- Professional educated and trained in local government
- Manages “Day-to-Day” operations of government
- Carries out policies established by Board of Selectmen
- Assists Elected Officials, Committees, Department Heads, Residents and Businesses
- Prepares annual budget, NH DRA Forms, warrants, legal notices, meeting agendas and material
- Ensures Fiscal Accountability of Town finances
- Applies and administers grant
- Assists with recruitment and hiring of personnel
- Develops ordinances and policies